of low priced blended fabrics manufactured by the National Textile Corporation and by the Handloom Sector.

(e) Reduction of duty on synthetic fibre and yarn alone may not help in curbing smuggling as even if all duties on synthetic fabrics|yarn|fibre are abolished, the indigenous prices would still be higher than the international prices owing to various factors such as lack of economic of scale, higher energy cost etc.

Advance to M/s. PT Fivestar Industries Ltd.

3873. SHRI CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) kindly name the Indian Banks with their respective amounts advance to M|s. P.T. Fivestar Industries Ltd., Indonesia a joint venture of Bombay Dyeing;

(b) what was the cost of project and its means of finance; please give complete break-up;

(c) whether it is a fact that the industry has run into difficulties and that the advances made by Indian Banks are not repaid as per the schedule; please give bank-wise details of amount of advances stuck up in industry; and

(d) whether it is a fact that the experts of Indian Banks had represented to their respective managements that the investment proposed by the promoters is very high compared to its capacity if so, why expert opinion was not considered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (d) A consortium of four Indian Banks, namely, Indian Overseas Bank, Bank of Baroda; Central Bank of India and Syndicate Bank had granted certain facilities from their overseas branches to M/s. P. T. Five Star Industries Ltd. (PTFS) an India-Indonesia joint venture company incorporated in Indonesia. According to Reserve Bank of India, the decision to participate in the consortium lending was taken by the Board of Directors of the respective banks on the basis of a project report prepared by a company of consultants. The company is reported to have started incurring losses right from its inception due to a number of reasons such as delay in project implementation, marketing problems; demand recessions, sharp increase in financial charges, slow realisation of receivable and devaluation of Indonesian Rupiah. According to Reserve Bank of India the operational performance of M/s. PTFS has however subsequently shown some improvement and the company is reported to have made a profit during the year 1986. The Company, though it has not made payments to banks as per schedule. has however made, till September, 1986 some repayments to the consortium of banks. The banks and the Company are discussing reliefs and concessions to be given to bring about a financial restructuring and viability.

In view of the confidentiality provisions existing between the Banks and their constituents and in terms of the statutes governing the public sector banks and in accordance with the practices and usages customary amongst the bankers further details cannot be divulged.

Credit-deposit ratio of overseas branches of Indian banks

3874. SHRI CHIMANBHAI MEHTA: SHRI RAMSINGHBHAI PATALIYABHAI RATHVAKOLI:

Will the Minister of FINANCE be pleased to state:

(a) what is the deposit-advance ratio fixed by RBI for the overseas branches of Indian Banks having their branches abroad;

(b) how does this ratio compare with Indian banks' deposit advance ratio of branches in India;

(c) the percentage of statutory advances or the investments in Government securities etc. prescribed in both the above cases;

(d) what percentage of bank deposits is a 'bad debt' in case of Indian banks' domestic branches and their foreign branches respectively; and